

Slide 1

**USDA** United States Department of Agriculture

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**New Mexico State Technical Committee Meeting**

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Hello!

**USDA** United States  
Department of  
Agriculture

## Topics

- **Conservation Reserve Program (CRP)**
  - Cost Share Policy
  - Soil Rental Rates



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A presentation slide titled "CRP Programs" from the USDA. The slide features a green header with the USDA logo and the text "United States Department of Agriculture". The main content is a bulleted list of three program types: General, Continuous, and Grasslands. To the right of the text is a vertical photograph of a rural landscape with a field, a pond, and trees. At the bottom right of the slide is the Farm Service Agency logo and the website "fsa.usda.gov". The number "3" is centered at the bottom of the slide.

USDA United States Department of Agriculture

## CRP Programs

- **General**
  - Signup period began on 12/09/2019 and ended on February 28, 2020
  - 52 offers were submitted - 51 were accepted
- **Continuous**
  - Signup is on going
  - No offers have been submitted as of 04/21/2020
- **Grasslands**
  - Signup period began on 03/16/2020 and ends on May 15, 2020

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CRP is a voluntary natural resource program that places emphasis on

- protecting the nation's soil, water, and wildlife resources
- Improving and preserving water quality
- Enhancing fish and wildlife habitat; as well as addresses issues raised by local, State, and national conservation initiatives.

**General** is a voluntary program that contracts with producers so that environmentally sensitive agricultural land is not farmed or ranched, but instead devoted to conservation benefits. CRP participants enter into a contract with a long-term objective to conserve plant species, establish grass or trees covers to control soil erosion, improve water quality and develop wildlife habitat. In return, FSA provides participants with annual rental payments and cost-share assistance. Contract duration is between 10 and 15 years.

The signup period for General ended on February 28, 2020. Out of 52 offers submitted, 51 offers were accepted. Participant were notified the week of March 30<sup>th</sup>. Contracts that are approved will become effective on October 1, 2020.

**Under Continuous CRP**, environmentally sensitive land devoted to certain conservation practices can be enrolled in CRP at any time. Offers are automatically accepted provided the land and producer eligibility requirements are met and the enrollment levels do not exceed the statutory cap. Unlike CRP enrollments under general or Grasslands, offers for continuous enrollment are not subject to competitive bidding during specific periods.

Signup is on going. To date New Mexico does not have any offers submitted.

**Under CRP Grasslands**, landowners and operators can protect grassland, including rangeland and pastureland while maintaining the areas as grazing lands. The program emphasizes support for grazing operations, plant and animal biodiversity and grassland and land containing shrubs and forbs under the greatest threat of conversion. Participants receive annual payments and cost-share assistance. Contract duration is either 10 or 15 years.

The signup for Grasslands will end on May 15, 2020.

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**Program Objective**

**Assist owners and operators in conserving and improving the nation's natural resource base.**

**Cost share is offered for eligible practices**

**Cost share rates include the cost of any factors necessary to perform the practice**



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Its objective is to cost-effectively assist owners and operators in conserving and improving the nation's natural resource base. Cost share is offered on eligible practices. Rates include the cost of any direct and significant factors necessary to perform the practice, such as:

- equipment
- new or used materials
- services
- labor
- sales tax



**Cost Share Policy**

**In 2018, the New Mexico State Committee established cost share policy:**

- **Rates mirror the NRCS Field Office Technical Guide**
- **Only costs that differ are those for seed**



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In 2018, the New Mexico State Committee established a policy that cost share rates will be statewide mirror the rates from the NRCS Field Office Technical Guide. The only costs that will differ are those for seed as FSA's policy is to establish cost share where the rate will not exceed 50 percent of the actual seed costs and will not be combined with other costs associated with cover establishment.



**Soil Rental Rates (SRR)**

**Soil-specific estimates of dryland rental rates are:**

- **Used to set maximum annual payment rates**
- **Reviewed regularly**



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SRR's are soil-specific estimates of dryland rental rates used to set maximum annual payment rates for CRP cropland offers and contracts.

These payment rates are set at the minimum amount needed to attract offers to enroll in CRP, minimizing market distortions.



**Soil Rental Rates (SRR) (continued)**

**How SRRs are set?**

- **Historically** – calculated by multiplying average dryland rental rate (county AVGRT) by a set of soil-specific productivity factors
- **Present** – calculated by the Cash Rents Survey (NASS)



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Historically, SRR's for each county have been calculated by the National Office where the county average dryland rental rate (county AVGRT) is multiplied by a set of soil-specific productivity factors for the county.

Slide 7 = IF they ask about productivity factors... Under historical, it meant that a particular soil could have a productivity factor over 1% making that soil 'worth' more than the average rate (ie  $\$19 * 1.2\%$  productivity =  $\$23$ ).

Slide 9 & 10 = These *are* the Average County Rental Rates listed... The actual Soil Rental Rate is going to be 85% of that rate rounded to the nearest whole dollar for the general signup and will be subject to change annually.

At present, the Deputy of Farm Programs (DAFP) reviews the most recent Cash Rents Surveys administered by NASS, generates county average dryland cash rent estimates based on the survey data, then uses those estimates as the foundation for the county average rental rates.



**Soil Rental Rates (SRR)**  
**Maximum Payment Rates**

- **Cropland** - reflect the average cash rental rates per acre for nonirrigated cropland (tilled crops)
- **Marginal Pasture Land** – reflect the average cash rental value of nonirrigated riparian grazing for the prior year
- **Grasslands** – current year NASS pastureland rental rates



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### Cropland

Maximum payment rates are calculated using SRRs that are set at levels that reflect the average cash rental rates per acre for **nonirrigated** cropland for annually tilled crops for each soil map unit area within a soil survey area within a county during the past year.

### Marginal Pastureland

Maximum payment rates are calculated using marginal pastureland rental rates. These rental rates must be set for all applicable practices on marginal pastureland at levels that reflect the average cash rental values of **nonirrigated** riparian area grazing land during the past year.

There is rate per county for land adjacent to season water bodies and 1 rate per county for land adjacent to perennial water bodies.

### Grasslands

A CRP grasslands rental rate is established based on the current year NASS pastureland rental rates.

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COUNTY	2020 County Average Rental Rate (AVGRT)	
	General	Grasslands
Bernalillo	12	\$2
Catron	12	\$1
Chaves	12	\$2
Cibola	12	\$2
Colfax	11	\$4
Curry	22	\$4
DeBaca	11	\$2
Dona Ana	12	\$2
Eddy	12	\$2
Grant	12	\$2
Guadalupe	11	\$4
Harding	11	\$3
Hidalgo	12	\$1
Lea	12	\$2
Lincoln	12	\$2
Los Alamos	12	\$2



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These *are* the Average County Rental Rates listed... The actual Soil Rental Rate is going to be 85% of that rate rounded to the nearest whole dollar for the general signup and will be subject to change annually.

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COUNTY	2020 County Avg. Rental Rate (AVGRT)	
	General	Grasslands
Luna	12	\$1
McKinley	12	\$1
Mora	11	\$2
Otero	12	\$2
Quay	12	\$3
Rio Arriba	12	\$3
Roosevelt	18	\$4
Sandoval	12	\$2
San Juan	12	\$3
San Miguel	11	\$2
Santa Fe	12	\$2
Sierra	12	\$1
Socorro	12	\$1
Taos	12	\$3
Torrance	11	\$3
Union	11	\$4
Valencia	12	\$2



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**Thank you!**

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